

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Petition of Verizon For Forbearance Under 47)	WC Docket No. 04-440
U.S.C. § 160(c) From Application of)	
<i>Computer Inquiry</i> and Title II Common-)	
Carriage Requirements)	
)	

**NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION
REPLY COMMENTS**

The National Telecommunications Cooperative Association (NTCA)¹ hereby files its reply comments in response to the Federal Communications Commission's (Commission's or FCC's) Public Notice seeking comment on the petition of Verizon for forbearance regarding incumbent local exchange carrier (ILEC) provisioning of broadband services.² In its petition, Verizon requests that the Commission forbear from applying its "*Computer Inquiry*"³ requirements and Title II common carrier regulations

¹ NTCA is the premier industry association representing rural telecommunications providers. Established in 1954 by eight rural telephone companies, today NTCA represents 560 rural rate-of-return regulated incumbent local exchange carriers (ILECs). All of its members are full service local exchange carriers, and many members provide wireless, cable, Internet, satellite and long distance services to their communities. Each member is a "rural telephone company" as defined in the Communications Act of 1934, as amended (Act). NTCA members are dedicated to providing competitive modern telecommunications services and ensuring the economic future of their rural communities.

² Petition of Verizon for Forbearance Under 47 U.S.C. § 160(c) from Application of Computer Inquiry and Title II Common-Carriage Requirements, Public Notice, WC Docket No. 04-440, DA 04-4049 (December 23, 2004) (Public Notice).

³ See, Regulatory and Policy Problems Presented by the Interdependence of Computer and Communication Services and Facilities, Docket No. 16979, Final Decision and Order, 28 F.C.C.2d 267 (1971); Amendment of Section 64.702 of the Commission's Rules and Regulations, Docket No. 20828, Final Decision, 77 F.C.C.2d 384 (1980); Computer III Further Remand Proceedings: Bell Operating Co. Provision of Enhanced Services, CC Docket No. 95-20, 1998 Biennial Review—Review of Computer III and ONA Safeguards and Requirements, CC Docket No. 98-10, Report and Order, 14 FCC Rcd 4289 (1999) (collectively, *Computer Inquiry*).

that apply to stand-alone ILEC broadband transport services.⁴ Verizon, however, does not distinguish its broadband services from rural ILEC broadband services. The Commission must recognize that rural ILECs do not seek the same deregulatory treatment as requested by Verizon. The Commission therefore should not preclude allowing rural ILECs to tariff broadband services as common carrier offerings as a result of this proceeding or any other proceeding.

The Commission currently has an open Notice of Proposed Rulemaking (NPRM) addressing the issues in the Verizon Petition. This Wireline Broadband NPRM is specifically addressing the appropriate regulatory framework for wireline broadband access services and is the proper proceeding in which to examine the issues raised in the Verizon Petition in a comprehensive, instead of piecemeal, fashion.⁵ NTCA therefore urges the Commission to address the issues raised in Verizon Petition in its Wireline Broadband NPRM, and not in this forbearance proceeding.

In addition, the Commission should refrain from broadly applying its forbearance authority to rural ILECs in this proceeding or similar pending forbearance proceedings and ensure that the current tariffing and pooling options remain available to rural ILECs who seek to offer broadband transport services, including basic digital subscriber line (DSL) transmission, pursuant to the NECA tariff. Mandatory deregulation of stand-alone broadband transmission services will likely impede the progress of broadband

⁴ Petition of Verizon for Forbearance Under 47 U.S.C. § 160(c) from Application of *Computer Inquiry* and Title II Common-Carriage Requirements, WC Docket No. 04-440 (filed Dec. 20, 2004) (Verizon Petition), p. 1-4.

⁵ In the Matter of the Appropriate Framework for Broadband Access over Wireline Facilities, CC Docket No. 02-33, Universal Service Obligations of Broadband Providers, and Computer III Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services; 1998 Biennial Regulatory Review – Review of Computer III and ONA Safeguards and Requirements, CC Docket Nos. 95-20, 98-10, Notice of Proposed Rulemaking, FCC 02-42 (Wireline Broadband NPRM).

deployment in some rural areas, where the high cost of providing service in thinly populated rural regions of the country would prevent some smaller telephone companies from offering such services on a deregulated basis. Many rural ILECs operate in mostly sparsely populated areas of the United States and continue to face varying geographic, demographic and economic challenges when deploying advanced telecommunications services. Today's levels of broadband deployment in small rural markets simply would not exist without the benefits of NECA's tariff and pools. The Verizon Petition should therefore not preclude the Commission from allowing rural LECs to tariff broadband services as common carrier offerings.

Rural ILECs seek retention of the DSL tariffing and pooling options.⁶ The Commission should therefore clarify that rural ILECs may continue to choose to tariff and pool DSL transmission services when it resolves the Verizon Petition and the Wireline Broadband NPRM given the demonstrated benefits of broadband services and support for DSL transmission services tariffing and pooling options. Lastly, if the Commission decides not to apply Title II common carrier regulation to Verizon's broadband transmission services in this proceeding or the Wireline Broadband NPRM, the FCC should continue to require Verizon and other non-rural carriers to contribute the universal service fund (USF) mechanisms based on their revenues derived from their broadband transmission services to ensure sufficient, predictable, and sustainable support

⁶ See Comments of NTCA at 13-15; Comments of NECA at 14-17; Comments of OPASTCO at 7-9; Comments of GVNW Consulting, Inc. at 10; and Comments of USTA at 31 filed *In the Matter of Petition of SBC Communications Inc. for Forbearance from the Application of Title II Common Carrier Regulation to IP Platform Services*, WC Docket No. 04-29.

in the future. This will assist in ensuring the continued deployment of quality advanced services and networks in rural America.

Respectfully submitted,

**NATIONAL TELECOMMUNICATIONS
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March 10, 2005

CERTIFICATE OF SERVICE

I, Gail Malloy, certify that a copy of the foregoing Reply Comments of the National Telecommunications Cooperative Association in WC Docket No. 04-440, DA 04-4049 was served on this 10th day of March 2005 by first-class, U.S. Mail, postage prepaid, to the following persons.

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